# [Jurisdiction Name] SB 9 Presentation Template



DRAFT ONLY of 11/30/2021

## SB 9: The California HOME Act (Atkins)

Requires ministerial approval of a/an:

- Two-unit housing development Two homes on a single-family residential parcel
- Urban lot split A one-time subdivision of an existing single-family residential parcel into two parcels



## SB 9: The California HOME Act (Atkins)

- Approvals must be based only on objective standards (and cannot preclude construction of 2 units of < 800 sf)</li>
- Denials only permitted if projects do not meet objective standards or if there are "specific, adverse impacts" on public health and safety
- Limitations on how jurisdictions regulate SB 9 projects, including setback and parking requirements and requirement that attached buildings must be allowed



# Which parcels are affected by SB 9: Qualifying Criteria

All single-family residential zoned properties within urbanized areas, EXCEPT:

- Environmentally sensitive areas and environmental hazard areas (if specific mitigations are not possible)
- Historic properties and districts
- Properties where the Ellis Act was used to evict tenants in the last 15 years

Additionally, demolition is generally not permitted for rental units or deedrestricted rental units



# What Can Be Built: Current Law

Under current state law, single-family zoned property allows 3 units:

- 1 primary dwelling unit
- 1 accessory dwelling unit (ADU)
- 1 junior accessory dwelling unit (JADU)
- 3 Total Housing Units



# What Can Be Built: Lots Not Being Subdivided (Two-Unit Devts)

- Vacant lot: Build two primary dwelling units
- Lot with a single family home: add an additional primary dwelling unit
  - But SB 9 could be interpreted to allow 2 new units beyond an existing unit
- It is still unclear how many ADUs and JADUs may be allowed



# What Can Be Built: Lots Not Being Subdivided (Two-Unit Devts)

- 1 Existing Primary Dwelling Unit
- 1 New Primary Dwelling Unit
- 1 New Accessory Dwelling Unit
- 1 Junior Accessory Dwelling Unit
- 4 Total Housing Units (Subject to verification by legal counsel / HCD)

OR

- 2 New Primary Units (attached or detached)
- 1 New Accessory Dwelling Unit
- 1 Junior Accessory Dwelling Unit
- 4 Total Housing Units (Subject to verification by legal counsel / HCD)



# What Can Be Built: Lots Being Subdivided (Urban Lot Splits)

- Homeowners can build 2 homes on each of the 2 new lots, allowing for a total of 4 units
- If there are existing units, new homes can be added to result in a maximum of 4 potential units
- However, a jurisdiction may choose to allow more units (ADUs and JADUs)
- Homes are subject to objective rules, as long as the rules do not preclude two 800 sf units on each property



# What Can Be Built: Lots Being Subdivided

Empty lot = Split to two lots with 2 new homes on each = 4 Total Housing Units

OR

Single family home = Split to two lots.

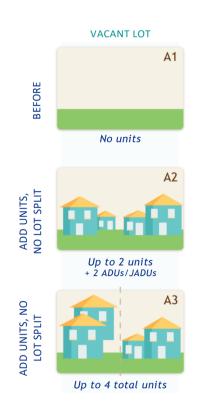
Lot 1 = 1 existing + 1 new

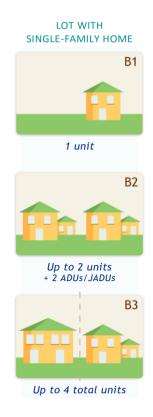
Lot 2 = 2 new

= 4 Total Housing Units



# Potential Development Scenarios









\*Legally constructed but not currently permitted. Check your local ordinance for nonconforming use policies.

#### **USING SB 9 WITHOUT A LOT SPLIT:**

- Without a lot split, SB 9 does not limit the number of ADUs or JADUs (B2, D2) but other laws might.
- SB 9 could be interpreted to allow 2 new units beyond an existing unit (up to 3 units/lot, plus any allowed ADUs/JADUs).

#### USING SB 9 WITH A LOT SPLIT:

 SB 9 does not require jurisdictions to approve more than 4 units total, including any ADUs/JADUs.



#### SINGLE-UNIT DEVELOPMENTS

SB 9 can be used to develop single units - but projects must comply with all SB 9 requirements.



#### **Potential New Home Creation**

- [Jurisdiction Name] has approximately [#] single-family residential lots that would be subject to SB 9
- Past experience with Accessory Dwelling Unit laws suggests that only a small percentage of owners will use SB 9. In [YEAR] a total of [#] permits for ADUs were filed in [Jurisdiction Name], and all/almost all were for 1 ADU per lot



#### **Potential New Home Creation**

- Impacts likely to be modest and gradual in most communities
- According to an analysis by UC Berkeley's Terner Center:

SB 9's primary impact will be to unlock incrementally more units on parcels that are already financially feasible under existing law, typically through the simple subdivision of an existing structure. Relatively few new single-family parcels are expected to become financially feasible for added units as a direct consequence of this bill.





A TERNER CENTER REPORT - JULY 2021

Will Allowing Duplexes and Lot Splits on Parcels Zoned for Single-Family Create New Homes?

Assessing the Viability of New Housing Supply Under California's Senate Bill 9

#### AUTHORS

BEN METCALF, MANAGING DIRECTOR, TERNER CENTER
DAVID GARCIA, POLICY DIRECTOR, TERNER CENTER
IAN CARLTON, CO-FOUNDER AND CEO, MAPCRAFT LABS
KATE MACFARI ANE PRODUCT MANAGER MAPCRAFT LA



### **Potential New Home Creation**

[FOR JURISDICTIONS WITH MORE THAN 5,000 SINGLE-FAMILY PARCELS]:

UC Berkeley's Terner Center estimates that [#] of [Jurisdiction Name]'s single-family parcels would be economically viable to allow new unit construction under SB 9, representing the potential creation of [#] new units



## Regional Housing Needs Allocation (RHNA)

- SB 9 units may count for purposes of Housing Elements and RHNA, but methodology is currently unclear
- In the future it will be based on actual trends (like ADUs), but there is no time to establish a pattern for this housing element
- Guidance from HCD is expected in the coming months



House-scale buildings with multiple units in walkable neighborhoods



















### **KEY ACTIONS & DECISIONS**

KEY QUESTION - What does the council like about missing middle housing and what aspects do they have concerns about?

This will help guide implementation of SB 9 in [Jurisdiction Name]



### **KEY ACTIONS & DECISIONS**

#### **ADDITIONAL QUESTIONS**

- Parking Should parking be set to the state limits or lowered?
- Owner occupancy Should there be owner occupancy requirements for 2-unit developments?
- ADUs To the extent SB 9 permits [Jurisdiction Name] to decide, should we allow ADUs with SB 9 properties?
- Larger units Does [Jurisdiction Name] want to encourage units larger than 800 sf?
- Lot split versus small multifamily on one lot Does [Jurisdiction Name] prefer to incentivize owners to choose 2+ units on single lot or urban lot splits, or do we have no preference?
- Objective standards Should [Jurisdiction Name] apply regular objective standards to the extent they don't preclude objective standards, or should we adopt a new set of objective standards?

## **KEY ACTIONS & DECISIONS: NEXT STEPS**

- Implementing Ordinance
- Objective Zoning/Subdivision/Design Standards
- Application forms and checklist

